

Amendments to House Bill No. 822
1st Reading Copy

EXHIBIT 2
DATE 3.28.07
HB 822

Requested by Representative Michele Reinhart

For the House Taxation Committee

Prepared by Jeff Martin
March 23, 2007 (7:37am)

1. Title, line 5.

Following: "INDIVIDUAL"

Insert: "OR A BUSINESS"

Strike: "INDIVIDUAL'S"

Insert: "TAXPAYER'S"

2. Title, line 6.

Strike: "AN IMMEDIATE"

Insert: "A DELAYED"

Following: the first "DATE"

Insert: ", "

Strike: "AND A RETROACTIVE"

Insert: "AN"

Following: the second "DATE"

Insert: ", AND A TERMINATION DATE"

3. Page 1, line 16.

Strike: "2006"

Insert: "2007"

4. Page 1.

Following: line 22

Insert: "(c) If the credit allowed under this section is claimed, the amount of the deduction allowed or allowable under this chapter for the amount that qualifies for the credit must be reduced by the dollar amount of the credit allowed."

5. Page 1, line 24.

Strike: "The"

Insert: "Subject to the limitation of subsection (3)(b) and this subsection, the"

6. Page 1, line 25.

Strike: "on" through "purchased"

Insert: "according to the following schedule:

(a) for a biodiesel blend that contains at least 2% biodiesel but less than 5%, the credit is equal to 0.02 times the total cost of the diesel fuel purchased;

(b) for a biodiesel blend that contains at least 5%

biodiesel but less than 10%, the credit is equal to 0.05 times the total cost of the diesel fuel purchased;

(c) for a biodiesel blend that contains at least 10% biodiesel but less than 20%, the credit is equal to 0.1 times the total cost of the diesel fuel purchased;

(d) for a biodiesel blend that contains at least 20% biodiesel but less than 100%, the credit is equal to 0.2 times the total cost of the diesel fuel purchased;

(e) for biodiesel that meets the requirements of 15-70-301(2), the credit is equal to the total cost of the diesel fuel purchased"

7. Page 1.

Following: line 27

Insert: "NEW SECTION. **Section 2. Biodiesel tax credit.** (1) (a) Subject to the provisions of [section 1] and this section, a corporation, small business corporation, as defined in 15-30-1101, a partnership, or a limited liability company, as defined in 35-8-102, carrying on a trade or business is allowed the credit provided for in [section 1] against the taxes due under 15-31-101.

(b) The credit may be claimed only by a corporation, a small business corporation, a partnership, or a limited liability company that employs fewer than 16 employees.

(2) If the credit allowed under this section is claimed, the amount of the deduction allowed or allowable under this chapter for the amount that qualifies for the credit must be reduced by the dollar amount of the credit allowed.

(3) The credit must be attributed to shareholders, partners, or members of a limited liability company in the same proportion used to report the corporation's, partnership's, or limited liability company's income or loss for Montana income tax purposes."

Renumber: subsequent sections

8. Page 1, line 29.

Following: "instruction."

Insert: "(1)"

9. Page 1.

Following: line 30

Insert: "(2) [Section 2] is intended to be codified as an integral part of Title 15, chapter 31, part 1, and the provisions of Title 15, chapter 31, part 1, apply to [section 2]."

10. Page 2, line 2.

Strike: "on" through "approval"

Insert: "January 1, 2008"

11. Page 2, line 4.

Strike: "Retroactive applicability"

Insert: "Applicability"

12. Page 2, line 4 through line 5.

Strike: "retroactively" on line 4 through "1-2-109," on line 5

Strike: "2006" on line 5

Insert: "2007"

13. Page 2.

Following: line 5

Insert: "NEW SECTION. Section 6. {standard} Termination.

[This act] terminates December 31, 2013."

- END -